

FINANCIAL SERVICES REPUBLICAN MORNING CLIPS 11.6.2009

Wall Street Journal: "For Banks, Rate Rules Could Mean Tough Times ... A looming federal rule to cap the interest rates paid by weak banks could accelerate their demise and make life even harder for depositors."

Wall Street Journal: "G-20 Finance Ministers Gather in Scotland ... Finance officials from rich and developing countries face difficult negotiations over how to even out the imbalances weighing on the world economy as they gather Friday for a summit in Scotland."

Wall Street Journal: "Fannie to Rent to Owners in Foreclosure ... Fannie Mae will allow homeowners facing foreclosure to stay in their homes and rent them for as long as a year, as part of the government's latest effort to help troubled borrowers, while keeping more foreclosed properties from hitting the housing market."

Washington Post: "FHA delays the release of disputed audit of its finances ... The Federal Housing Administration abruptly delayed the release of a long-awaited independent audit of the financial soundness of the agency, citing potential problems with the accuracy of some of the study's economic models."

NY Times: "Fannie Mae to Allow Borrowers to Lease Homes ... Some homeowners who face foreclosure may be able to stay as tenants in their houses for the time being, even if they forfeit ownership, under a program announced on Thursday by Fannie Mae."

NY Times: "Break for Companies in Bailout's Fine Print ... One of the federal government's most opaque methods for bailing out the banking system allowed a handful of giant institutions to save up to \$25 billion on their borrowing costs, a Congressional panel estimated on Friday."

NY Times: "A Bad Way to Spend Money ... Congress threw good money after bad this week when it voted to extend and expand a wasteful home buyer's tax credit set to expire at the end of the month."

USA Today: "Fannie Mae seeks \$15B more in government aid after 3Q loss ... Fannie Mae is asking for an additional \$15 billion in government aid after posting another big loss in the third quarter as the taxpayer bill from the housing market bust keeps rising."

USA Today: "Fannie Mae to rent out homes instead of foreclosing ... Thousands of borrowers on the verge of foreclosure will soon have the option of renting their homes from Fannie Mae, under a policy announced Thursday."

USA Today: "Programs help 'unbanked' avoid high fees ... Dozens of cities are launching programs to sign up low-income people as customers at commercial banks so they can avoid the high fees typical of check-cashing stores and payday lenders."

Reuters: "G20 to stay the course on economic stimulus ... ST ANDREWS, Scotland (Reuters) - The Group of 20 leading nations will agree this weekend it is too early to pull the plug on emergency support for the global economy and launch a new system of checks to help rebalance world growth and prevent future crises."

Bloomberg: "Fed Signals Return to Growth Alone Won't Warrant Rate Increase ... Federal Reserve officials signaled a return to economic growth alone won't warrant higher interest rates, saying an increase will instead depend on when the labor market and inflation pick up."

Bloomberg: "Bondholders Extract Revenge on Fee-Hungry Bankers: David Reilly ... Companies in dire straits often roll the dice in a bid to stave off bankruptcy. The problem is that last-ditch efforts to raise new funds or restructure often come at the expense of bondholders."